

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

CONGRESSIONAL BUDGET OFFICE ESTIMATE OF COSTS—S. 1605

• Mr. MURKOWSKI. Mr. President: in compliance with paragraph 11(a) of rule XXVI of the Standing Rules of the Senate, the Committee on Energy and Natural Resources has obtained a letter from the Congressional Budget Office containing an estimate of the costs of S. 1605, the Energy Policy and Conservation Amendment Act, as reported from the committee. In addition, pursuant to Public Law 104-4, the letter contains the opinion of the Congressional Budget Office regarding whether S. 1605 contains intergovernmental mandates as defined in that act. I respectfully request that the opinion of the Congressional Budget Office be printed in the CONGRESSIONAL RECORD in its entirety.

The opinion follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC., May 9, 1996.

Hon. FRANK H. MURKOWSKI,
Chairman, Committee on Energy and Natural
Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 1605, the Energy Policy and Conservation Act Amendment Act.

Enactment of S. 1605 would affect direct spending. Therefore, pay-as-you-go procedures would apply to the bill.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

JUNE E. O'NEILL,
Director.

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: S. 1605.
2. Bill title: Energy Policy and Conservation Act Amendment Act.
3. Bill status: As ordered reported by the Senate Committee on Energy and Natural Resources on April 24, 1996.
4. Bill purpose: S. 1605 would reauthorize certain activities and programs at the Department of Energy (DOE) through 2001. It would revise and extend the statutory guidelines and requirements of the Energy Policy and Conservation Act (EPCA), which outlines federal policies regarding energy emergencies, energy exports, and certain energy conservation initiatives. These amendments would authorize DOE to lease underutilized capacity of the Strategic Petroleum Reserve (SPR) to foreign governments to the extent provided in appropriation acts. Other provisions would remove certain restrictions on joint bidding by major oil companies for leases on the Outer Continental Shelf (OCS), modify various reporting and planning requirements, and enable the state of Hawaii to purchase oil from the SPR under certain conditions.

S. 1605 would authorize the appropriation of such sums as may be necessary for the SPR for 1996 through 2001. It would authorize specific amounts for 1996 for the State Energy Conservation Program (SECP), the Institutional Conservation Program (ICP), the Alternative Fuels Truck Commercial Application Program, and programs under Part C of EPCA (including activities supporting the International Energy Agency, the Committee on Renewable Energy Commerce and

Trade, and the Committee on Energy Efficiency Commerce and Trade). The bill also would authorize the appropriation of such sums as may be necessary to implement the conservation grant and alternative fuels programs for 1997 through 2001 and the Part C programs for 1997 through 1999.

5. Estimated cost to the Federal Government: The following table summarizes the estimated budgetary effects of S. 1605. Assuming appropriation of the authorized amounts for 1997 through 2001, we estimate that enacting this bill would result in additional discretionary spending totaling between \$1.4 billion and \$1.5 billion over that period. CBO anticipates that enacting this bill would affect direct spending by reducing offsetting receipts from bonus bids for OCS leases, but the impact is likely to be small for each fiscal year. On average, we estimate that bonus bids would fall by about \$2 million a year over the 1997-2002 period.

(By fiscal years, in millions of dollars)

	1996	1997	1998	1999	2000	2001	2002
SPENDING SUBJECT TO APPROPRIATIONS							
Spending under current law:							
Budget authority ¹	325	.....	.....	.....	.....	.....	.....
Estimated outlays	279	173	57	9	.....	.....	.....
WITHOUT ADJUSTMENT FOR INFLATION							
Proposed Changes:							
Estimated authorization level	31	291	291	291	286	286	.....
Estimated outlays	.....	139	255	287	289	287	148
Spending Under S. 1605:							
Estimated authorization level	356	291	291	291	286	286	.....
Estimated outlays	279	313	311	296	289	287	148
WITH ADJUSTMENT FOR INFLATION							
Proposed Changes:							
Estimated authorization level	31	291	300	309	313	324	.....
Estimated outlays	.....	139	259	300	310	318	167
Spending Under S. 1605:							
Estimated authorization level	356	291	300	309	313	324	.....
Estimated outlays	279	313	316	308	310	318	167
CHANGES IN DIRECT SPENDING							
Estimated budget authority	.....	3	2	2	2	1	1
Estimated outlays	.....	3	2	2	2	1	1

¹ The 1996 level is the amount actually appropriated.

The costs of this bill fall within budget functions 270 and 950.

6. Basis of estimate: *Spending Subject to Appropriations*. The estimate of outlays for 1996 is based on amounts actually appropriated for the fiscal year. In the case of the SPR program, we assume that recently enacted appropriations provide the necessary amounts for that program for 1996. The authorizations specified in the bill for conservation grants and the Part C activities exceed the enacted levels for those programs by a total of \$31 million. We estimate that the additional authorization would not result in outlays, because we assume that a supplemental appropriation would not be enacted before the end of this fiscal year.

For future years for which authorization levels are not specified, we generally projected spending based on the amounts authorized by S. 1605 for 1996. For the SPR facilities and operations account, we have based our 1997-2001 projections on DOE's current estimate of the program's requirements for 1997 because the 1996 level is inflated by the one-time cost of decommissioning one of the SPR sites. Starting in 1997, we project spending for the SPR at about \$220 million a year.

The table shows two alternative sets of authorization levels for fiscal years 1997 through 2001: one without adjustment for anticipated inflation, and a second that includes an adjustment for inflation. For the purposes of this estimate, we assume that future appropriations will be provided before the start of each fiscal year and that outlays will follow historical trends for the respective programs.

For comparability to estimates for 1997 and beyond, the table includes the \$287 mil-

lion gross appropriation for the SPR facilities account for 1996. This SPR account received no new budget authority for 1996 because the entire appropriation was offset by collections of \$100 million from a sale of oil from one of the SPR site and by the transfer of \$187 million in unobligated balances from the SPR petroleum acquisition account.

Under this bill, DOE could generate income by leasing excess SPR capacity to foreign governments if such leasing is approved in subsequent appropriation acts. If, for example, appropriations actions were to trigger this authorization by the beginning of fiscal year 1998, we estimate that the annual income from such leases would total \$1 million in fiscal year 1999 and rise gradually to \$11 million by 2002. This provision of S. 1605, however, would have no direct effect on offsetting receipts, because the leasing activity would be contingent upon future appropriations action.

Direct Spending. Under current law, certain major oil companies are restricted from bidding jointly for new leases on the Outer Continental Shelf. CBO expects that allowing such companies to begin bidding jointly on OCS leases would likely reduce the number of bids submitted for OCS lease sales. On average, we expect that this would lower offsetting receipts from bonuses by about \$2 million per year over the 1997-2002 period. This estimate is based on information from the Minerals Management Service regarding the most recent OCS lease sale. The effect of the bill's provision on industry competition in future sales could vary, but we expect that the likely impact on bonus bids would be small in any year because relatively few winning bids in each sale are the result of direct competition between companies that are currently barred from submitting joint bids.

7. Pay-as-you-go considerations: Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 sets up pay-as-you-go procedures for legislation affecting direct spending or receipts through 1998. CBO estimates that the OCS provisions in S. 1605 would result in a reduction in offsetting receipts from bonus bids, as shown in the following table.

(By fiscal years, in millions of dollars)

	1996	1997	1998
Change in outlays	0	3	2
Change in receipts	(1)	(1)	(1)

¹ Not applicable.

8. Estimated impact on State, local, and tribal governments: S. 1605 contains no intergovernmental mandates as defined in Public Law 104-4 and would impose no direct costs on state, local, or tribal governments. The bill would extend the authorization for grants to states and localities for energy conservation programs. It would also benefit the state of Hawaii by guaranteeing that it would be allowed to purchase oil from the SPR during a drawdown of the reserve.

S. 1605 would authorize appropriations totaling \$56 million for fiscal year 1996 and such sums as may be necessary for fiscal years 1997-2001 for the SECP and ICP programs. In contrast, \$26 million was appropriated for 1996 for a program that would consolidate these two programs and provide grants to states. For the purposes of this estimate, we assume that the states would not receive the additional \$30 million authorized by the bill, because it is unlikely that a supplemental appropriation would be enacted before the end of the fiscal year.

Under current law, states must match these grant funds at different rates. Based on

information provided by DOE, CBO estimates that states would be required to provide matching funds of approximately \$5 million in fiscal year 1996. CBO has no basis for estimating the matching requirement in future years.

9. Estimated impact on the private sector: This bill would impose a new private sector mandate as defined in Public Law 104-4. It would eliminate an existing limit on the Secretary of Energy's authority to require an importer or refiner of petroleum products to maintain readily available inventories of petroleum products in the Industrial Petroleum Reserve. The existing authority has not been used and CBO estimates that the Secretary would not use the expanded authority granted by S. 1605. Thus, we estimate that the mandate would impose no additional costs on the private sector.

10. Previous CBO estimate: On April 22, 1996, CBO transmitted a cost estimate for H.R. 2596, a bill to reauthorize the Energy Policy Conservation Act through 1999, and for other purposes, as ordered reported by the House Committee on Commerce on March 13, 1996. Differences between that estimate and the estimate for S. 1605 result from differences in the two bills. In particular, the two bills authorize spending for different years, and, in some cases, for different programs and amounts.

11. Estimate prepared by: Federal Cost Estimate: Kathleen Gramp—SPR and Energy Conservation Victoria Heid—OCS. State and Local Government Impact: Marjorie Miller. Private Sector Impact: Patrice Gordon.

12. Estimate approved by: Robert A. Sunshine for Paul N. Van de Water, Assistant Director for Budget Analysis.●

CONGRESSIONAL BUDGET OFFICE ESTIMATE OF COSTS—S. 1888

Mr. MURKOWSKI, Mr. President, in compliance with paragraph 11(a) of rule XXVI of the Standing Rules of the Senate, the Committee on Energy and Natural Resources has obtained a letter from the Congressional Budget Office containing an estimate of the costs of S. 1888, the Energy Policy and Conservation Act Amendments of 1996, as reported from the committee. In addition, pursuant to Public Law 104-4, the letter contains the opinion of the Congressional Budget Office regarding whether S. 1888 contains intergovernmental mandates as defined in that Act. I respectfully request that the opinion of the Congressional Budget Office be printed in the CONGRESSIONAL RECORD in its entirety.

The opinion Follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 20, 1996.

Hon. FRANK H. MURKOWSKI,
Chairman, Committee on Energy and Natural
Resources, Washington, DC.

DEAR MR. CHAIRMAN, The Congressional Budget Office has reviewed S. 1888, the Energy Policy and Conservation Act Amendments of 1996, as ordered reported by the Senate Committee on Energy and Natural Resources on June 19, 1996. CBO estimates that enacting the bill would have no significant impact on the federal budget. Enacting S. 1888 would not affect direct spending or receipts. Therefore, pay-as-you-go procedures would not apply to the bill.

S. 1888 would postpone the expiration of the provisions in the Energy Policy and Conservation Act (EPCA) related to energy

emergencies from June 30, 1996, to September 30, 1996. This extension would authorize the Department of Energy (DOE) to continue to operate the Strategic Petroleum Reserve, participate in the International Energy Agency, and conduct related activities through the end of fiscal year 1996. Because funds have already been appropriated for these programs for all of fiscal year 1996, CBO estimates that enacting this will would not have any significant impact on the federal budget. Federal spending over the next three months would be affected by the bill only in the event that an energy emergency necessitates additional DOE expenditures for actions authorized by EPCA.

S. 1888 does not contain any intergovernmental or private-sector mandates as defined in Public Law 104-4.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Kathleen Gramp, who can be reached at 226-2860.

Sincerely,

JAMES L. BLUM
(For June E. O'Neill, Director).

WEST VIRGINIA BIRTHDAY

● Mr. ROCKEFELLER. Mr. President, this is a proud moment for me and the citizens of the State as we celebrate the 133d birthday of our beautiful home.

On June 20, 1863, West Virginia gained its independence from Virginia in the midst of the Civil War. Since that time when the Nation's brotherhood was severed, West Virginia became the 35th State to enter the Union and has remained a strong and vital part of this country.

Known as the Mountain State, West Virginia is proud of its existence. Its beauty is evident as its rolling hills cover the land and its rivers and lakes surround the valleys. It is a place full of distinct culture and crafts. From the northern panhandle to the eastern panhandle extending down to the border of Kentucky, West Virginia offers some of the Nation's finest workers, industries, and businesses. We continue to welcome new corporate members to our West Virginia family, including most recently Toyota. Each year more visitors come from all over to go skiing, hiking, whitewater rafting, and do many other activities that are first rate in West Virginia. No matter what the season, West Virginia is a beautiful place to live and visit, loved throughout the world.

I could continue forever about what this fine State has to offer and contribute to its people, its visitors, and this country. For the past 133 years, West Virginians have been loyal to the Union and to the State because they are proud of who they are and what they have become. Let us all come together to celebrate this fine day and this wonderful State we call West Virginia.●

TRIBUTE TO MONSIGNOR THOMAS KEYS ON THE 25TH ANNIVERSARY OF HIS ORDINATION AS A ROMAN CATHOLIC PRIEST

Mr. SMITH. Mr. President, I rise today to pay tribute to the founder of

the National Scrip Center, Monsignor Tom Keys, on the 25th anniversary of his ordination as a Roman Catholic priest. Monsignor Keys founded the National Scrip Center in 1986 to help save a Catholic high school that was facing a quarter of a million dollars worth of debt. The National Scrip Center provides an innovative gift certificate program to help schools and nonprofit organizations generate revenues for their programs.

Monsignor Keys has given numerous nonprofit organizations across the country opportunities to expand and succeed through the money they raise from Scrip. Since 1986, Monsignor Keys' Scrip Center has grown steadily and now helps over 5,000 organizations across the country. I congratulate Monsignor Keys for all his hard work over the years in establishing Scrip which has become a vital program for so many nonprofit groups. His entrepreneurial spirit has brought community nonprofit groups and businesses together in a remarkable show of unity. He is a role model for all of us to follow.

The National Scrip Center's education, training and fundraising support services have helped a network of 5,700 neighborhood Catholic, Jewish and Protestant private, parochial, and public schools and nonprofit affiliates in more than 30 States.

Under Monsignor Keys' leadership, the center empowers nonprofits to help themselves generate operating funds. One of his primary goals is to provide children and young people with opportunities for affordable quality education. The Scrip Center was first started at the St. Vincent's Parish in Petaluma, CA. Now, the national center is a network of nonprofits raising money for important causes, provides a customer service department, software for marketing and accounting purposes and other services.

I congratulate Monsignor Keys for his vision and determination. The National Scrip Center is a remarkable symbol of his 25 years of dedication to his community as a Roman Catholic priest. I am proud of his efforts and commend his inspiration to nonprofit organizations across the country. He has touched so many lives in the process. Best wishes to Monsignor Keys on his 25th anniversary as a spiritual leader, and I wish him continued prosperity, happiness, and blessings as the Scrip network of nonprofit organizations continues to grow.

TRIBUTE TO SHELLY LIST

● Mrs. BOXER. Mr. President, today I want to pay tribute to the late Shelly List, a novelist, television writer, and journalist of great distinction, whose work was not only commercially successful, but also highly regarded by critics and other artists.

Shelly List was probably best known to Americans as the producer of the successful and pioneering television